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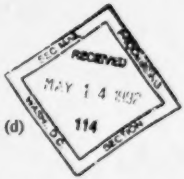
SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 10-Q



QUARTERLY REPORT UNDER SECTION 13 OR 15 (d)

FOR THE QUARTER ENDED
March 31, 1992

COMMISSION FILE NO.
0-15179

NEUROTECH CORPORATION
Exact Name of Registrant as specified in its charter)

DELAWARE	06-1100063
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
139 Florida Street, Farmingdale, N.Y.	11735
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code 516 694-0026

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Act of 1934 during the preceding 12 months or such shorter period that the registrant was required to file such reports, and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at May 6, 1992
Common Stock, par value $.01	9,854,374

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NEUROTECH CORPORATION AND SUBSIDIARY

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March 31, 1992

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NEUROTECH CORPORATION AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS

Assets	March 31 1992 (unaudited)	June 30, 1991
Current assets:		
Cash & cash equivalents	$ 375,926	$ 82,986
Accounts receivable; net	122,232	180,668
Inventories	139,608	199,434
Prepaid & current assets	5,257	14,575
Current portion of legal settlement receivable	324,434	
Total current assets	967,457	477,663
Property & Equipment:		
Machinery & equipment	265,338	262,406
Furniture & fixtures	46,144	46,144
Leasehold improvements	17,418	17,418
	328,900	325,968
Less: accumulated depreciation & amortization	192,356	(169,420)
	136,544	156,548
Other Assets:		
License cost, net	2,383	5,833
Non-current portion of legal settlement receivable	286,750	-
Total other assets	289,133	5,833
Total Assets	$ 1,393,134	$ 640,044

Liabilities & Stockholders' Equity	March 31, 1992 (unaudited)	June 30, 1991
Current liabilities:		
Accounts payable	$ 110,020	$ 151,45(
Accrued liabilities	86,666	48,86;
Total current liabilities	196,686	200,31;
Stockholders' equity:		
Common stock, par value $.01/share: 12,000,000 shares authorized; 9,854,374 shares outstanding at 3/31/92	98,544	98,544
Additional paid-in-capital	4,004,376	4,004,376
Retained deficit	(2,756,472)	(3,513,188;
	1,346,448	589,732
Less: treasury stock at cost	(150,000)	(150,000)
Total Stockholders' Equity	1,196,448	439,732
Total Liabilities & S/H Equity	$ 1,393,134	$ 640,044

The accompanying notes to consolidated financial statements are an integral part of these statements.

NEUROTECH CORPORATION AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	1992	1991	1992	1991
Net sales	$ 142,863	$ 263,586	$ 516,401	$ 810,061
Cost of sales	150,233	230,934	449,615	596,638
Gross profit (deficit)	(7,370)	32,652	66,786	213,423
Research and development expenses	22,216	10,537	40,466	115,236
Selling, general and administrative expenses	138,948	105,178	283,209	328,048
Income (loss) from operations	(168,534)	(83,063)	(256,889)	(229,861)
Other income:				
Interest income (expense), net of interest income	15,538	(2,869)	18,476	883
Other income (loss)	3,461	(1,208)	1,027,844	2,434
Total other income (loss)	18,999	(4,077)	1,046,320	3,017
Income (loss) before provision for income taxes	(149,535)	(87,140)	789,431	(226,844)
Provision for income taxes (credits)	(19,853)	1,250	289,998	3,750
Income (loss) before extraordinary item	(129,682)	(88,390)	499,433	(230,594)
Extraordinary item of income	-	-	257,283	-
Net income (loss)	$ (129,682)	$ (88,390)	$ 756,716	$ (230,594)
$ (129,682) net profit (loss) per common share	$ (.01)	$ (.01)	$ .08	$ (.02)
Net profit (loss) per common share before extraordinary items	$ (.01)	$ (.01)	$ .05	$ (.02)
Weighted average number of common shares outstanding	9,854,374	9,854,374	9,854,374	9,854,374

The accompanying notes to consolidated financial statements are an integral part of these statements.

NEUROTECH CORPORATION AND SUBSIDIARY

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(Unaudited)

	Common stock	Additional paid-in capital	Accumulated deficit	Treasury stock
Balance at June 30, 1991	$ 98,544	$ 4,004,376	$ (3,513,188)	(150,000)
Net income for the nine months ending March 31, 1992	-	-	756,716	-
Balance at March 31, 1992	$ 98,544	$ 4,004,376	$ (2,756,472)	(150,000)

The accompanying notes to consolidated financial statements are an integral part of thes statements.

NEUROTECH CORPORATION AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

	Nine Months Ended March 31, 1992	1991
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	$ 756,716	$ (230,594)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:		
Depreciation and amortization	26,386	31,105
(Increase) decrease in accounts receivable	58,436	(12,575)
(Increase) decrease in inventory	59,826	121,721
(Increase) decrease in prepaid expenses	9,318	5,702
Increase (decrease) in accounts payable	(41,430)	6,858
Increase (decrease) in accrued liabilities	37,804	5,411
(Increase) in receivable for litigation settlement	(611,184)	-
Net cash provided (used) by operating activities	295,872	(72,372)
CASH FLOWS USED IN INVESTING ACTIVITIES:		
Purchase of property and equipment	(2,932)	(1,354)
Net cash used in investing activities	(2,932)	(1,354)
CASH FLOWS PROVIDED (USED) IN FINANCING ACTIVITIES:		
Proceeds from notes payable	-	253,687
Net cash provided (used) in financing activities	-	253,687
Net increase (decrease) in cash and cash equivalents	292,940	179,961
Cash and cash equivalents at beginning of period	82,986	138,616
Cash and cash equivalents at end of period	$ 375,926	$ 318,577
Cash paid during the period for:		
Income Taxes	$ 1,024	$ 3,750

The accompanying notes to financial statements are an integral part of these statements.

NEUROTECH CORPORATION AND SUBSIDIARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 1992
(UNAUDITED)

(1) INTERIM FINANCIAL STATEMENTS

The accompanying unaudited consolidated financial statements presented herein reflect all adjustments, including all normal recurring adjustments and accruals which, in the opinion of management, are necessary for a fair presentation of financial position and results of operations for the three and nine months ended March 31, 1992 and 1991. The financial statements should be read in conjunction with the summary of significant accounting policies and notes to financial statements included in the Company's Annual Report to Stockholders for the year ended June 30, 1991. The results of operations for the three and nine months ended March 31, 1992 are not necessarily indicative of the results for the full year.

(2) TERMINATION OF JOHNS HOPKINS UNIVERSITY LICENSE AGREEMENT

On October 26, 1991, the Company settled litigation to confirm an arbitration award against The John Hopkins University. Pursuant to the settlement, the University has paid the Company $550,000 and agreed to pay an additional $825,000 in installments of $425,000 on July 1, 1992 an $400,000 on July 1, 1993. The amounts shown on the financial statements reflect net amounts, after legal expenses, of $426,430, $329,375, and $310,000, respectively.

(3) COMMITMENTS AND CONTINGENCIES

The Company's former legal counsel has a lawsuit pending against the Company to recover approximately $105,000 for unbilled legal fees and expenses incurred during 1988, in connection with the unsuccessful public offering of the Company's Neuroscientific subsidiary. The Company believes that this claim is not justified and it is being vigorously contested. The Company filed a separate lawsuit against its former legal counsel.

Management's Discussion and Analysis of Financial Condition and Results of Operations

The company has sales in two industry segments:

The medical electronic segment through its subsidiary, Neuroscientific Corporation. Neuroscientific Corporation manufactures and sells to the research market-place its "VENUS" and "ENFANT" visual evoked potential systems and its visual Contrast Sensitivity device. The ENFANT is designed to offer the more basic features of the VENUS, at a lower price.

The electronic components segment through its Control Electronics Division. The Control Electronics Division manufactures and sells custom delay lines, which are electronic devices sold primarily to the military and their contractors.

Results of Operation for the three and nine months ended March 31, 1992 are analyzed as follows:

For the three months ended March 31, 1992, the Company showed a negative gross profit of $7,370. This was in part due to restructuring where the inventory was written-down by approximately $30,000. This was necessitated by obsolescence and lower replacement costs for components and assemblies.

Net sales for the three and nine months ended March 31, 1992 were $142,863 and $516,401, respectively, both decreased approximately 46% and 36% over net sales for the three and nine months ended March 31, 1991 of $263,586 and $810,061, respectively. This decrease was due to the completion in fiscal 1991 by Control Electronics of a large military order for delay lines. In addition, new incoming orders for delay lines have been soft and there is no anticipation for any pick up in the near future. Sales in the medical electronics segment increased by approximately 9% for the nine month period of 1992 when compared to the same period in 1991.

Research and development expenses for the three and nine months ended March 31, 1992 were $22,216 and $40,466, respectively. For the same periods in 1991 these were $10,537 and $115,236, respectively. The company has kept the research and development to a minimum, but has accelerated development of the ENFANT for entry into a potentially larger market.

Selling, general and administrative expenses for the three and nine months ended March 31, 1992 were $138,948 and $283,209, respectively. For the same periods in 1991 these were $105,178 and $328,048, respectively. Overall for the nine month period these expenses have decreased by 44%. For the three months, however, because of expenses relating to exploration of a business opportunity, these expenses increased by 32%.

Liquidity and Capital Resources

Due to the Johns Hopkins University settlement, the Company's cash requirements for the balance of this fiscal year are expected to be met from its working capital balance.

NEUROTECH CORPORATION AND SUBSIDIARY

OTHER INFORMATION

Items 1-5 Inapplicable

Item 6 Exhibits and Reports on Form 8-K

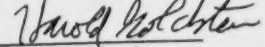
(a) Exhibits
None

(b) Reports on Form 8-K
None

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registration has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized:

NEUROTECH CORPORATION
(Registrant)



Date May 11, 1992

Harold Goldstein
President, Chief Executive,
and Principal Financial Officer